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**From:** darlene.kingrealtynh@roadrunner.com  
**Sent:** Monday, February 07, 2011 5:32 PM  
**To:** Undisclosed-Recipient;  
**Subject:** Fw: reminder of house bill 302 hearing and other info up date on saying no to the Northern Pass  
**Attachments:** article.jpg

----- Original Message -----

**From:** darlene.kingrealtynh@roadrunner.com  
**Sent:** Monday, February 07, 2011 4:55 PM  
**Subject:** reminder of house bill 302 hearing and other info up date on saying no to the Northern Pass

REMINDER ON HOUSE BILL 302 being heard in The Legislative building in Concord tomorrow at 1:00 People will be arriving at the Legislative Office Building on Main St. in Concord by 12 ish. Remember give yourself plenty of time to find parking.

There will be a press conference at 12:30 on the ground floor of the Legislative Office Building which will last for about 20 minutes. Jack Savage from the Forest Society will moderate the press conference. John Harrigan, Valerie Herres, John Amey and Jane Difley will speak briefly followed by a few minutes of Q&A.

Then upstairs to Room 304 which is where the hearing begins at 1:00.

People who plan to speak should check with others to be sure that they are not duplicating their comments since the committee will want to get the widest range of issues on the table. Others should have their written comments and these should be submitted. All comments in some way should relate to HB302 in some way along with Northern Pass.

Bill Carpenter of the Department of Resources and Economic Development Division of Forest and Land (Administrator) said at the expo that he has been asking for months of the Northern Pass for a list of NH State Forests that will be on either of the proposed lines. Can everyone organize to let us know if there are any state forests in their town that is affected by the lines let me know. I will keep the list and email it to him when complete. Thanks, Darlene ([kingrealtynh@roadrunner.com](mailto:kingrealtynh@roadrunner.com)). will be more on the expo below"

<http://www.thepetitionsite.com/2/save-the-towers/>

From the Coos Community Energy Staff:

**"The U.S. Department of Energy has started work on the application by Northern Pass for a Presidential permit authorizing the construction, operation, maintenance, and connection of an electric transmission line across the U.S. border with Canada. Receipt of the permit was announced on Nov. 16, 2010, and DOE allowed 30 days for comment and petitions to intervene. At the end of that period, 90 petitions and over 800 comments had been received. DOE has decided to make information available to the public through a website. The project website which will contain all documents filed with or issued by DOE is located at <http://www.northernpasseis.us/index.asp>**

**DOE will be conducting scoping meetings in the region. We will notify you when we learn the dates."**

It looks like Northern Pass website hosts this index but it is dedicated to the permitting process. Be sure to subscribe so you can receive updates from the DOE.

**From the website there is a definition of what an EIS is and what is covered:**

"EIS" is the abbreviation for an **Environmental Impact Statement**, a tool for decision making prepared to describe the effects of proposed activities on the environment. "Environment" in this case is defined as the natural and physical environment and the relationship of people with that environment. This means that the "environment" considered in an EIS includes land, water, air, structures, living organisms, environmental values at the site, and social, cultural, and economic factors.

An "impact" is a change or consequence that results from an activity. Impacts can be positive or negative, or both. An EIS describes impacts, as well as ways to "mitigate" impacts. To "mitigate" means to lessen or remove negative impacts.

Therefore, an EIS is a document that describes the impacts on the environment as a result of a proposed action. It also describes impacts of alternatives, as well as plans to mitigate the impacts.

**What is covered in the Northern Pass Transmission Project EIS?**

The Northern Pass Transmission Project EIS is designed to answer the question about whether to issue the Presidential permit. The EIS will examine potential impacts and compare the proposed actions against a set of reasonable alternatives.

In order to consider the complete range of reasonable alternatives, DOE may propose the following preliminary alternatives:

1. **No action.** Deny the permit applications. This will describe the existing environmental impacts as if the Project would never be constructed and would provide a baseline against which the impacts in the action alternatives can be measured in the absence of presidential permits.
2. **Grant the permit.** This will set forth the impacts of constructing and operating the proposed transmission line. This is DOE's preferred alternative.
3. **Alternate Routes.** DOE may also propose to consider alternative routes for the transmission line under the action alternatives.
4. **Mitigation measures.** Grant the permit to authorize the transmission line while the applicant employs on-site and off-site mitigation measures to minimize environmental impacts.

The EIS will evaluate the full range of potential environmental, social, cultural, and economic impacts in the U.S. from the construction and operation of the proposed new electric transmission line facilities. This notice is intended to inform agencies and the public of the proposed project, and to solicit comments and suggestions for consideration in the preparation of the EIS.

Impacts will be analyzed across a number of resource areas, including:

- Air quality (including climate change and greenhouse gas emissions)
- Water resources and drainage
- Geography, geology, and soils
- Land use
- Threatened and endangered species, special status species, and related sensitive resources
- Airspace utilization
- Public health and safety
- Noise
- Natural hazards
- Hazardous materials
- Accidents and intentional destructive acts
- Cultural and historical resources

- Recreational resources
- Visual resources
- Socioeconomic impacts, community services and infrastructure
- Environmental justice considerations (disproportionately high and adverse impacts to minority and low income populations)
- Cumulative impacts (past, present, and reasonably foreseeable future actions)
- Irreversible and irretrievable commitments of resources

This list is not intended to be all inclusive or to imply any predetermination of impacts, and DOE invites interested parties to suggest other issues to be considered

Attachment above is regarding below :

----- Original Message -----

**From:** Bob Baker

**To:** [susan.schibanoff@unh.edu](mailto:susan.schibanoff@unh.edu) ; [jim@dannis.net](mailto:jim@dannis.net) ; [sandy@dannis.net](mailto:sandy@dannis.net) ; [tntmullen@owlsnestgolf.com](mailto:tntmullen@owlsnestgolf.com) ; [peter@pwpres.com](mailto:peter@pwpres.com) ; [martinp003@gmail.com](mailto:martinp003@gmail.com) ; [ddobbins@metrocast.net](mailto:ddobbins@metrocast.net) ; [darlene.kingrealtynh@roadrunner.com](mailto:darlene.kingrealtynh@roadrunner.com) ; [agrecords@roadrunner.com](mailto:agrecords@roadrunner.com) ; [kelly@wiesermail.com](mailto:kelly@wiesermail.com) ; [rick@columbianh.org](mailto:rick@columbianh.org) ; [valerieherres1@gmail.com](mailto:valerieherres1@gmail.com) ; [samsonr@nhecwb.com](mailto:samsonr@nhecwb.com) ; [jmconnect777@gmail.com](mailto:jmconnect777@gmail.com) ; [schom@localnet.com](mailto:schom@localnet.com) ; [psiadix\\_03576@yahoo.com](mailto:psiadix_03576@yahoo.com)

**Sent:** Monday, February 07, 2011 8:30 AM

**Subject:** NP Property Tax "Study" and Union Leader Article

**Good morning:**

Below is a message I received about a Sunday Union Leader Article in which the NP folks amp up their tax revenue "benefits" arguments. See the important attachment which shows a chart of "tax savings" that are projected by NP's expert for each of the affected towns. Your analysis and recommendations for dealing with this latest NP offensive will be most helpful. Here are my preliminary observations:

1. The "study" attached to this e-mail and which apparently formed the basis of the Union Leader article was done by Lisa Shapiro of Gallagher, Callahan and Gartrell, PC. This is Northern Pass's Concord law firm and it did the original economic study that was so simplistic everyone who reads it laughs at it.
2. The chart of estimated tax impacts has a huge flaw. It fails to mention or account for the anticipated loss in property values that will be suffered by properties in the towns that are under the power line or that are within its viewshed.
3. A real estate expert and a tax expert are needed to fully critique the study, but the absence of any attempt to consider the loss in property values that will be suffered by property owners along the transmission line makes the report worthless in my view. It is likely that there are other deficiencies in the report that should be explored.
4. I do not pretend to understand the state utility tax angle, but it seems that its impact may be quite complicated on each town's revenue situation. It needs to be developed and researched further and I can't do that for several days given my CT work schedule.

Any help that you can provide in developing a more sophisticated critique of the report will be most appreciated. We are all going to have to be prepared to address the attached "Lisa Shapiro numbers" in presenting the town warrants to our respective communities next month. Serious consideration should be given immediately to whether or not we can hire a consultant to counter Ms. Shapiro's work. Thanks.

Regards, Bob Baker

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**THIS IS A STORY FROM THE SUNDAY UNION LEADER. IT'S VERY VALUABLE INFORMATION. THE LIST OF AFFECTED TOWNS AND HOW IT WOULD IMPACT THEIR PROPERTY TAX RATE TODAY IS ATTACHED.**

**New Hampshire Union Leader**

## **Utility tax would chip at power line windfall**

**By GARRY RAYNO**

New Hampshire Union Leader

CONCORD — To much fanfare last fall, state, Franklin and utility officials announced a new electricity converter station they claimed would increase the city's tax base by as much as 60 percent, create hundreds of jobs and spur economic growth. At the press conference announcing the converter facility, Franklin Mayor Ken Merrifield noted the project could provide more than \$4 million in property tax revenue to his cash-strapped city. The windfall is a result of The Northern Pass, a high-voltage, direct-current transmission project developed by Northeast Utilities, the parent company of Public Service of New Hampshire, and NSTAR. The transmission project would bring electricity from HydroQuebec to New England.

### **Major part of project**

The estimated \$250 million to \$350 million converter facility is the single largest component of the \$1.1 billion project, which would traverse 31 communities from Pittsburg to Deerfield, providing between \$22.2 million and \$27.2 million in new property tax revenue to the towns, counties and state.

Cities and towns along the route would see an additional \$13 million to \$17 million in new property tax revenue, the five counties, \$2.2 million to \$2.7 million, and the state, \$7 million to \$7.5 million, according to figures prepared by Dr. Lisa Shapiro, chief economist for Gallagher, Callahan and Gartrell, for Northern Pass Transmission LLC.

A decade ago, Londonderry dreamed of similar tax relief from the Granite Ridge project only to discover when the gas-burning, electricity-generating facility went on-line, the state utility property tax reduced the town's tax revenue. While the net result was a substantial increase in

tax revenues for the town, it was less than initially anticipated because of the state utility tax, said Town Manager Dave Caron.

When the generating facility went on-line in 2003, the plant's assessment increased from \$235 million in 2002 to \$273 million, but the town received \$271,000 less in property taxes from Granite Ridge, said Caron.

The revenue loss shifted the tax burden to the other property owners of the community, he noted.

### **On firm ground**

Caron said the facility has since found stable financial footing, and the owners have not missed a property tax payment. Now the plant is the town's single-largest taxpayer, at about \$6.3 million for 2010. "They have been an excellent corporate citizen for the community," he said.

Merrifield said he is wellaware of what will happen when the utility property tax kicks in, but still believes the new facility would be "the single greatest economic event in Franklin's history if it comes to pass."

The \$4 million to \$5 million in new tax revenue would increase the city's tax base 60 percent. Merrifield said he has named a nine-member commission to begin discussions and eventually bring suggestions to the city council for the best use of the new money.

"This is a once-in-a-lifetime opportunity for Franklin. This project will bring hundreds of jobs to the area and a permanent boost to our financial power," he said.

While the city would not be able to collect the statewide education property tax on the new facility once it's on-line, the additional revenue from the project would more than make up the loss, Merrifield said.

For Franklin, under the worst-case scenario, the city could lose as much as \$800,000 in tax revenue when the converter facility goes on line, using the fiscal 2011 state property tax rate.

## **Opposition continues**

The property tax revenue is also tempting to communities along the route, although opposition from residents continues to grow, particularly in the North Country.

But to communities such as property-poor Stratford, the transmission line would be 52 percent of the town's tax base, dropping taxes by \$6 per \$1,000 of assessed valuation. The project would mean a \$3.50 drop in Columbia's tax rate, a \$5.60 decrease for Franklin's and a \$2.80 drop in Deerfield's.

Communities along the route don't face as large a loss as Franklin when the state utility property tax kicks in, but they could also see a reduction in revenue.

Stephan Hamilton, director of the Department of Revenue Administration's Property Appraisal Division, said a new facility such as the Londonderry plant is taxable at the local level before it goes on line and under construction, but once it is operational, the state utility property tax kicks in.

Companies that pay the state utility property tax are exempt from paying the statewide education property tax, which helps pay local education costs. The state education property tax revenue remains in most communities, but a couple of property-rich communities or "donor communities" send the state some of their state property tax revenue.

Shapiro said project officials will map out what will happen to communities so they plan for the long-term. "We're committed to working with the communities on that," she said.

Construction of the Northern Pass Project is expected to take three years and is projected to begin in 2013, according to Northern Pass spokesman Martin Murray. The 2013 construction start could be optimistic, he said, noting it depends on how long the permitting process takes. "It would not be a great surprise if (the start) is pushed out a bit," Murray said.

## **Initial package**

The utility property tax was part of the first public education funding package approved by lawmakers in 1999 to answer the Supreme Court's second Claremont decision saying it was unconstitutional to use local property taxes with widely varying rates as the primary source for public school funding.

The utility property tax not only raised revenue for the state's share of public education funding, but also reduced the number of donor communities created by the statewide property tax and brought some uniformity to local assessments on the state's power generating facilities.

Since then the statewide property tax rate has dropped to \$2.19 per \$1,000 of assessed valuation, but the state utility property tax has remained \$6.60 per \$1,000 on all utility owned "buildings and structures, machinery, dynamos, apparatus, poles, wires, fixtures of all kinds and descriptions, and pipe lines ... employed in the generation, production supply, distribution, transmission, or transportation of electric power or natural gas, crude petroleum and refined petroleum products."

When first instituted in 1999, the state utility property tax, in essence, took the first \$6.60 per \$1,000 utilities were then paying at the local level for public education. The new tax increased local property taxes in all communities, but significantly impacted communities with large generating facilities like Seabrook, Bow, Newington and Portsmouth.

Since then, few changes have been made to the tax, which has doubled in revenue in the last decade to \$30 million for fiscal year 2010. In the current 2011 fiscal year, it is projected to raise \$28 million, although revenues to date are \$2.7 million more than estimates.

Regarding this Please also see below :

Thanks Bob. As many of us wrote in our DOE interventions and comments, Ms. Shapiro's

“economic” analysis is merely cheerleading and does not withstand any serious scrutiny.

However, we have to keep our eyes on the big picture. The information in the Union Leader article, except for the town-by-town breakdown, is not new. The DOE filing contains a spreadsheet that estimates total NH municipal property tax payments from the transmission line project to be on the order of \$25MM each year.

Add to that CRA’s analysis (in the FERC filing) that the additional supply of 1200MW of wholesale power over the line will result in on the order of \$25MM of aggregate annual wholesale price reductions in New Hampshire, which “should” (per CRA) be passed on to retail customers.

So, the target we are shooting at is on the order of \$50MM total of claimed annual economic benefits to New Hampshire from the Northern Pass project.

And this is before any power purchase agreement (PPA) between HQ and PSNH. The PPA can be expected to be at favorable prices and on favorable terms in order to help the project sponsors demonstrate a “New Hampshire benefit” that they will argue will flow down to retail customers. We can’t quantify this claim yet because the PPA terms are not available.

So, looking at the case Northern Pass is trying to build, claimed “NH benefit”, so far, equals (a) roughly \$25MM from taxes and (b) roughly \$25MM from wholesale power price reductions. Claimed PPA benefits to come later.

How do we rebut this? Three ways:



Show the major flaws in the claims made by Northern Pass sponsors – for example, on the tax analysis, failing to include any of the negative impacts Bob points out such as decreases in real estate values.

Come up with our own analysis of the massive economic and social costs of the project – hits to real estate values, tourism, businesses, etc.

Put all this in the context of basic numbers that explain the project and the huge profits HQ will make from a dedicated power pipeline to southern New England.

Hi Bob,

In addition to you points, this part of the article jumped out at me...

*When first instituted in 1999, the state utility property tax, in essence, took the first \$6.60 per \$1,000 utilities were then paying at the local level for public education. The new tax increased local property taxes in all communities, but significantly impacted communities with large generating facilities like Seabrook, Bow, Newington and Portsmouth.*

I am curious what the actual increase these communities faced *and* couple that with the loss in property values what that would really mean for Franklin and homeowners & towns under or close to the power line.

Do we know how many jobs there really are at converter stations similar to what Franklin would have? What are those "hundreds of jobs" they seem to think will have in Franklin?

Thanks for sharing that Bob,

Michelle

Since we've been watching legislation to monitor any that might impact the Northern Pass Project, one of our email list members sent us a link to HB 514 which will go before the House Judiciary Committee.

The bill if it passes should support land owner rights by preventing entry of private property for data gathering without a warrant (with some exceptions such as Fish and Game etc.). It also clearly specifies what information must be given to landowners from said entry. There have been rumors of unknown entry onto private property it should provide some protection, however we haven't noted any penalties in the language of the bill or who enforces the law. See a copy of the bill below.

Read this and see if we're missing anything.

**HB 0514 Bill Text Session Year :** 2011**Size:** 5327 Bytes **Updated:** 1/28/2011 6:24:47 PM **Summary:** HB 514 – AS INTRODUCED. 2011 SESSION. 11-0336. 06/03. HOUSE BILL 514. AN ACT relative to entry on private land..  
**SPONSORS:** Rep. Weyler, Rock 8; Sen. Barnes, Jr. Dist 17. **COMMITTEE:** Judiciary. **ANALYSIS.** This bill prohibits certain entry on private property for data gathering without a warrant

House Status		Senate Status
Status:	IN COMMITTEE	
Status Date:	Thursday, January 06, 2011	
Current Comm:	JUDICIARY	
Comm of Referral:	JUDICIARY	
Date Intro:	Thursday, January 06, 2011	
Due Out of Comm:	Thursday, March 10, 2011	
Floor Date:		
Amended:		
Title:		

relative to entry on private land.

**Next/Last Hearing Date:**

Committee	Date	Time	Place	Maj Rpt.	Min Rpt
JUDICIARY	2/8/2011	1:00:00 PM	LOB 208		

**Sponsors:**

(P) Kenneth L. Weyler (r)

John S. Barnes, Jr. (r)

**HB 514 – AS INTRODUCED**

2011 SESSION

11-0336

06/03

**HOUSE BILL 514**

AN ACT relative to entry on private land.

SPONSORS: Rep. Weyler, Rock 8; Sen. Barnes, Jr., Dist 17

COMMITTEE: Judiciary

**ANALYSIS**

This bill prohibits certain entry on private property for data gathering without a warrant or the written consent of the landowner.

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Explanation: Matter added to current law appears in ***bold italics***.

Matter removed from current law appears [~~in brackets and struck through.~~]

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

11-0336

06/03

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Eleven*

AN ACT relative to entry on private land.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1 New Chapter; Entry on Private Property. Amend RSA by inserting after chapter 7-B the following new chapter:

CHAPTER 7-C

ENTRY ON PRIVATE PROPERTY

7-C:1 Entry on Private Property.

I. Absent a lawfully issued warrant, no person shall enter private property for data-gathering projects, including but not limited to biodiversity studies, endangered species or habitat surveys, sampling, or delineation, whether or not authorized by state or municipal agencies, boards, commissions, or any nongovernmental organization, without first giving written notice to the property owner and obtaining the prior written permission of such property owner.

II. No information gathered without permission shall be recorded, made public, or used for studies or grants.

III. Information gathered with permission may only be used for the purpose stated in the notification.

7-C:2 Notification Requirements. Notice to the landowner shall include:

I. The purpose of the data gathering.

II. The date and duration of the data gathering.

III. The land or environmental features that are being evaluated.

IV. The manner in which information or samples will be recorded and retained.

V. The method by which information or samples collected will be shared with government agencies, third parties, or the general public.

VI. A full disclosure of the potential restrictions that may be placed on such property, and on abutters, as a consequence of such information being recorded.

7-C:3 Exemption. The requirements of this chapter shall not apply to federal, state, or local law enforcement, the fish and game department, emergency services, real estate boundary surveys, emergency response to a public health threat, or animal control.

# John Harrigan: Northern Pass is about greed, not green

*Editor's Note: Sunday News outdoor columnist and former North Country newspaper publisher John D. Harrigan shares with our readers today a letter he sent to state Sen. John Gallus, R-Berlin, regarding the proposed Northern Pass powerline project proposed by Hydro Quebec and the parent company of Public Service of New Hampshire.*

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Hello, John:

Haven't seen you in a while. I'd motor over to Berlin to impart the following, but time and geography make it difficult. Hence, this note.

The Northern Pass is a no-winner for the North Country. The power and profits will go far Down Below, to Boston and Connecticut. We will get nothing but the leavings -- short-lived jobs, a dwindling tax benefit and a huge scar on a landscape that is our legacy, our soul, and our future.

New Hampshire already produces twice as much power as it uses. Thus there can be no proof of "need." The "need" is not New Hampshire's. It is NEPOOL's and markets far to the south. This is totally an export issue. We would serve as nothing but a conduit. The utilities' feet need to be held to the fire on this. They should have to prove need, not greed.

The so-called "25 percent green goal" touted by New England governors is a link-arms-and-sway, feel-good issue. No way can I reconcile despoiling Route 145 and Pittsburg and Clarksville and Stewartstown and Colebrook and Columbia and Stratford and so much else of northern New Hampshire's geography for a feel-good issue in other states, especially when New Hampshire already is creating and exporting so much of its power from hydro and, increasingly, wood chips. (Executive Councilor) Ray Burton was right-on with this issue when he came out against this horrendous powerline proposal.

If people Down Below cannot conserve, and if there is a true need for this power, there is an existing Quebec Hydro corridor down through northeastern Vermont, and the powers that be should be forced to simply acquire additional wider right of way there to accommodate the additional line. The suspicion running rampant is that Public Service would derive no profit from such a scenario, and thus wants to carve a whole new scar through northern New Hampshire, home of some of the most glorious scenery left in the Northeast. It is all about profit.

As you well know, we in northern New Hampshire have already lost just about everything -- Ethan Allen, two paper mills, Tillotson Manufacturing, and on and on. All we have left is our scenery and the tourism that depends on it. People Down Below (including the media) just don't seem to get this.

Jobs from the powerline project? Forget it. First, they would be a flash in the pan -- two years or so. And our local jobs would be waving flags for traffic control and running feller-bunchers and skidders for right-of-way clearance. The big, high-tech, best-paying jobs would go to the specialty contractors whose workers are highly skilled at building powerlines. Translate: "Not from here." For reference, anyone can look at the pipeline job. We would get the trickle-down of flipping burgers and turning down bed-sheets. Wow, gee, thanks.

As for taxes, the picture looks great up front, but as a guy who owned three businesses, I'd remind everyone of the word "depreciation." Why are we not hearing that word?

How I admire Ray Burton for stepping up to the plate on this one. We are all looking for more leaders to admire, and do the same.



In sum, John, I've never in my life seen so much of the population, of all stripes, of all politics, of all persuasions, so angry about a proposal being foisted on a region deemed, by powers far south, as insignificant. The feeling here is that we should not have to pay so terrible a price for being "in the way."

Please feel free to share this missive with any and all who might be able to make a difference. The further it goes, the better.

*John Harrigan's outdoors column appears weekly in the New Hampshire Sunday News.*

Hi All –

The “technical person” referred to in the email below is 100% correct. The Northern Pass project, if completed, will increase the supply of wholesale electricity to the New England grid. By definition (ie, based on the immutable law of supply and demand), the increase of supply into the wholesale market at the market clearing price will reduce the wholesale price.

The opposition effort runs the risk of losing credibility if we do not accept the fact of wholesale price reduction. This fact is just one of many to be considered in forming policy and should in no sense should trouble the opposition, but we need to be careful not to erode our credibility by opposing the facts. We can be effective by accepting the facts and shaping how they are framed so we can maximize our input in the discretionary policy issues.

The fact that NP will reduce wholesale prices was part of NP’s FERC filing made December 15, 2010. The FERC filing is available on the FERC eLibrary website and also on the Northern Pass website under “News and Info”/“Filings”. The filing is 703 pages long and includes a rich variety of data, particularly in the appendices. On p. 651 is the report of Cambridge Research Associates (CRA), NP’s consultant on pricing and congestion effects. This report is worth the read.

Here are CRA’s principal conclusions on market impact, quoted from p. 655 of the FERC filing:

**“The principal results of CRA’s analysis include:**

- **The NPT Line will reduce congestion between Québec and ISO-NE by:**

- (i) allowing more competitively priced energy to be imported in ISO-NE,**

**displacing higher cost generation on the ISO-NE system, and**

- (ii) allowing more of the energy imported from Québec to be delivered during**

**peak hours when marginal generation costs and prices in New England are**

highest.”

“This reduced congestion will lower New England power prices and reduce costs for wholesale load customers. CRA’s base case estimate of the cost reduction to wholesale load customers is \$1.58/MWh, or \$206 million in 2015 and \$2.30/MWh, or \$327 million in 2024. These wholesale cost savings should be passed on to retail customers through lower electricity rates driven by lower prices in standard offer procurements and lower costs to competitive retail suppliers. (Emphasis added.)”

CRA is a serious firm and they’ve done serious work. But let’s now deconstruct CRA’s conclusions and frame them in a way that can help the opposition.

CRA can be expected to be arguing the best case for Northern Pass, and the best case is \$206MM of New England-wide wholesale pricing savings in 2015, and \$327MM in 2024. These sound at first like big numbers, but let’s bring them down to the New Hampshire level.

According to ISO-New England, New Hampshire accounts for 9% of the New England electricity market (the link to ISO-NE’s 2011 data sheet on New Hampshire is below – again, good reading rich with facts). So, applying the savings ratably (this is an illustration; we will want to look at the characteristics of the New Hampshire market to make a more accurate NH-only estimate), the claimed wholesale savings in New Hampshire would approximate \$18.54 million in 2015, and \$29.43 million in 2024.

Wholesale doesn’t vote in elections, retail does. Politicians will want to know the effect on real people and real businesses, not some obscure wholesale market. This is where CRA may be on shaky ground.

CRA asserts, with no data, that the wholesale cost savings “should” be passed on to retail customers. That assumes the NH retail market is competitive, which it may well not be with the lumpiness (small, unevenly distributed number) of our suppliers. Without doing any research, one can reasonably question the extent to which, eg, PSNH will pass on wholesale savings to retail customers, particularly given PSNH’s financial problems (an incentive to keep more for themselves) and the lack of retail competition in New Hampshire (no strong market policing).

So, here is how the opposition might frame these facts.

- Yes, of course, we understand economics so we know that dumping a huge load of additional power into the New England wholesale market, as Hydro-Quebec proposes to do with the Northern Pass line, will reduce wholesale prices.
- But the wholesale price savings in our state are puny – best case (ie, as put forward by Northern Pass) are savings on the order of \$20-30MM per year in New Hampshire.
- And these are wholesale savings, not retail. We would expect that only some fraction of these savings would be passed on to retail and business customers.
- This means the retail savings in New Hampshire are even punier. If we make the working assumption of a pass-through of 50-80% of the savings, this means New Hampshire retail and business customers would see total annual savings in the range of \$10-24MM per year. The actual numbers may be different; this is just a working assumption.
- Here is the key that we need to show: \$10-24MM of estimated annual retail market savings from reduced prices due to the dumping of the additional HQ supply is a very small benefit compared with the much larger hard costs and social costs of the Northern Pass project. We all strongly believe this is true, but we need to prove it!

Our task is to inventory the hard costs and social costs and put numbers to them -- eg, reduced tax valuations and tax revenues; foregone investments in residential properties and tourist-based businesses; and the social costs of project to residents and visitors to New Hampshire. The opposition needs to quantify the actual costs and social costs of the NP project before it is time to testify at the DOE!!!

We can hopefully rely on the large NH and regional groups opposing the project (Forest Society, CLF, AMC, etc.) to do a significant part of the hard analytical work. Hopefully they will hire their own clone of CRA who will come up with a smaller estimate of wholesale and retail price effects. But all of us in the grassroots opposition can certainly help the “big opposition” by developing facts on the ground as to the costs of the Northern Pass project and how it will adversely affect our communities, individuals and businesses.

Sorry for the book here, folks, but Sandy and I strongly believe the opposition will benefit and enhance our credibility, and be more effective in forums such as the DOE and NH SEC process, if we fully and accurately engage in the information base and the claims made and documented by Northern Pass. Let's accept the facts and frame them to make our case. It is hard work, but it is worthwhile!

Thanks, Jim and Sandy

PS: ISO-NE link: [http://www.iso-ne.com/nwsiss/grid\\_mkts/key\\_facts/nh\\_01-2011\\_profile.pdf](http://www.iso-ne.com/nwsiss/grid_mkts/key_facts/nh_01-2011_profile.pdf)



Final reports from the Farm and Forest Expo in Manchester have been glowing. First a big thank you to those who helped pay for the registration fees and banner. Without your help this would have only been half possible. The other essential half are all the fantastic display volunteers (Julie Moran, Bill Schomberg, John and Cindy Lou Amy, Darlene King, Bob Baker, Pam and Peter Martin, John Harrigan, and so many others – I fear I've left some of you out, forgive me!) Also thanks to Rick Johnsen for helping pull all the handouts, banner and materials together. Julie Moran who was one of the display staffers wrote us stating, "Probably 30% of those we spoke to had no idea that this power line would affect them, or was even proposed. Many joined the email list. Many signed the petitions. Many took info pages, and even went back to tell their neighbors. Darlene King emphasized to people to get small groups organized in the Southern areas who will be affected. I was able to enforce that to people from Candia and Deerfield, where most had not dreamed that this would affect them. Today was at least as successful as yesterday!"

"I estimate that of the people who knew about Northern Pass 1 in 20 people are in support and about 75% are opposed." John Harrigan and John and Cindy Lou Amey spent most of the time showing people where they lived on maps, and people have begun to understand that opposition is NOT about NIMBY. We were able to open up conversations about the whole project, and to help people think about what implications the project might have for them and on New Hampshire." "It was so helpful to have so many attendees because we kept learning from each other, and had the back up of asking another if we were not sure of something. So, thank you to all who made this such a great success! " – Julie

Second, John Harrigan's op-ed, "Greed, not Green," has been running in the online Union Leader since February 4. Even if you have already read it, please give the following link a "click" so that the UL knows how many of us value John's hard work for the cause:

<http://www.unionleader.com/article.aspx?headline=John+Harrigan%3A+Northern+Pass+is+about+greed%2C+not+green&articleId=7702263d-c511-46f7-b813-44eb23099b9e>

In the online comments that follow John's piece, if his op ed has not been archived and the comments discarded forever by the time you read this, there is a message to us from Robert F. Flaherty, South Boston, that's good to hear:

"As a born and bred Bostonian I am aware that our energy needs have to be supplied by someone/somewhere. However, I like most of my neighbors and relatives LOVE going up to northern New Hampshire. It truly is God's country! Beautifully preserved and the cleanest and most unspoiled part of New England...without a doubt. People opposed to this environmental disaster should look for support in the most unlikely place. HERE! Boston area people adore and revere your precious land and most of us hope to live at least part of each year there when we retire! So, please don't believe the hype..we NEVER want your lands taken scarred or used for anything but recreation and to pass on as your Legacy. If the Sox can do it so can you...ya gotta Believe!!!!

- robert f flaherty, south boston mass."

I can imagine many of us wanting to say something similar to those in Quebec who lament that their land is being despoiled by Hydro-Quebec to sell power to New England. This isn't about Quebec v. New Hampshire. It's about corporate greed on both sides of the border v. people who value their land and take their roles as environmental stewards very seriously. We do believe, Mr Flaherty, and thanks for reminding us why.



## Northern Pass' tax impact

Northern Pass Transmission's (NPT's) most recent estimates of the property tax impact of its planned transmission lines and facilities when the system is in full operation.

	PROPERTY TAX PAYMENTS			NPT	Town's	NPT's % of	Tax Rate
	Town	County	School	Prop. Val.	Total Val.	Total Val.	Impact
<b>BELKNAP COUNTY</b>							
New Hampton	\$355,000	\$32,000	\$174,649	\$26.5	\$303.5	9%	\$1.10
<b>COOS COUNTY</b>							
Clarksville	\$95,000	\$52,000	\$84,063	\$12.7	\$40.2	32%	\$2.00
Colebrook	\$265,000	\$58,000	\$107,347	\$16.3	\$166.7	10%	\$1.40
Columbia	\$380,000	\$129,000	\$261,685	\$39.6	\$83.2	48%	\$3.50
Dalton	\$80,000	\$22,000	\$50,745	\$7.7	\$96.7	8%	\$0.80
Lancaster	\$258,000	\$70,000	\$133,929	\$20.3	\$265.1	8%	\$0.90
Northumberland	\$585,000	\$117,000	\$220,280	\$33.4	\$118.5	28%	\$3.90
Pittsburg	\$125,000	\$58,000	\$117,496	\$17.8	\$285.3	6%	\$0.50
Stewartstown	\$213,000	\$56,000	\$109,084	\$16.5	\$101.0	16%	\$1.80
Stratford	\$565,000	\$120,000	\$232,048	\$35.2	\$66.9	53%	\$6.00
Whitefield	\$495,000	\$118,000	\$245,024	\$37.1	\$198.7	19%	\$2.30
TOTALS*	\$3,061,000	\$800,000	\$1,561,701	\$237.0	\$1,422.0	17%	
<b>GRAFTON COUNTY</b>							
Ashland	\$225,000	\$18,000	\$97,321	\$14.7	\$246.9	6%	\$0.90
Bethlehem	\$535,000	\$33,000	\$174,256	\$26.4	\$259.3	10%	\$2.00
Bridgewater	\$39,000	\$10,000	\$51,045	\$7.7	\$357.8	2%	\$0.10
Bristol	\$120,000	\$13,000	\$58,109	\$8.8	\$466.7	2%	\$0.20
Campton	\$331,000	\$28,000	\$151,617	\$23.0	\$402.4	6%	\$0.80
Easton	\$115,000	\$29,000	\$153,397	\$23.2	\$66.1	35%	\$1.50
Holderness	\$80,000	\$11,000	\$59,043	\$8.9	\$681.9	1%	\$0.10
Lincoln	\$92,000	\$20,000	\$108,521	\$16.4	\$860.4	2%	\$0.10
Sugar Hill	\$315,000	\$33,000	\$171,813	\$26	\$147.9	18%	\$1.90
Thornton	\$340,000	\$34,000	\$179,365	\$27	\$373.9	7%	\$0.90
Woodstock	\$305,000	\$31,000	\$169,849	\$26	\$248.2	10%	\$1.20
TOTALS*	\$2,497,000	\$260,000	\$1,374,338	\$208	\$4,111.0	5%	
<b>MERRIMACK COUNTY</b>							
Allenstown	\$620,000	\$69,000	\$179,390	\$27.2	\$264.5	10%	\$2.30
Canterbury	\$555,000	\$101,000	\$264,504	\$40.1	\$272.7	15%	\$1.70
Chichester	\$230,000	\$35,000	\$95,753	\$14.5	\$266.0	5%	\$0.80
Concord	\$775,000	\$118,000	\$320,581	\$48.6	\$4,044.2	1%	\$0.20
Franklin	\$4,200,000	\$845,000	\$2,304,201	\$349	\$582.7	60%	\$5.60
Hill	\$120,000	\$22,000	\$58,034	\$8.8	\$105.9	8%	\$1.10
Northfield	\$167,000	\$26,000	\$68,764	\$10.4	\$328.8	3%	\$0.50
Pembroke	\$655,000	\$80,000	\$231,206	\$35.0	\$635.3	6%	\$1.10
TOTALS*	\$7,322,000	\$1,296,000	\$3,522,433	\$534	\$6,500.0	8%	
<b>ROCKINGHAM COUNTY</b>							
Deerfield	\$1,800,000	\$96,000	\$626,880	\$95	\$473.2	20%	\$2.80
<b>STATEWIDE*</b>	<b>\$15,035,000</b>	<b>\$2,484,000</b>	<b>\$7,260,000</b>	<b>\$1,100.0</b>	<b>\$12,811.0</b>	<b>9%</b>	

